Amendments to the Claims:

Following is a complete listing of the claims pending in the application, as amended:

Claims 1-7 canceled

8. (Currently amended) For use in a method of treating a site of systemic infection which is localized at a tissue site other than the fixed macrophages residing in the liver or the spleen, an injectable liposome composition which:

(a) is comprised of a vesicle-forming lipid and between about 1-20 mole percent of an amphipathic vesicle-forming lipid derivatized with a hydrophilic biocompatible polymer selected from the group consisting of polyglycolic acid (PGA), polylactic acid (PLA), a copolymer of PGA and PLA, and polyvinyl alcohol ~~and polyethyleneglycol~~, said polymer being of a size and in a molar amount effective to extend liposome blood circulation time, measured 24 hours after said injection, over that achievable in the absence of the hydrophilic polymer,

(b) is composed of liposomes having a selected mean particle diameter in the size range between about 0.07-0.20 microns;

(c) contains in liposome-entrapped form, a therapeutic compound active against the pathogen causing the infection, and

(d) is able to accumulate selectively in the infected tissue following intravenous administration, thereby to concentrate liposome-entrapped drug at the infection site.

9. (Original) The composition of claim 8, wherein the hydrophilic polymer is a polyethyleneglycol having a molecular weight between about 300-5,000 daltons.

10. canceled

11. (Original) The composition of claim 8, for use in treating such an infected region wherein the therapeutic compound is an aminoglycoside antibiotic, and the

concentration of compound entrapped in the liposomes is greater than about 20 μg compound/μmole liposome lipid.

12. (Original) The composition of claim 8, wherein the site of infection is the lung, and the aminoglycoside antibiotic is gentamicin.

13. (Currently amended) A method of preparing a therapeutic agent for localization in an infected region of tissue, when the agent is administered by intravenous injection, comprising

entrapping the agent in liposomes which:

(a) are comprised of a vesicle-forming lipid and between about 1-20 mole percent of an amphipathic vesicle-forming lipid derivatized with a hydrophilic biocompatible polymer selected from the group consisting of polyglycolic acid (PGA), polylactic acid (PLA), a copolymer of PGA and PLA, and polyvinyl alcohol ~~and polyethyleneglycol~~, said polymer being of a size and in a molar amount effective to extend liposome blood circulation time, measured 24 hours after said injection, over that achievable in the absence of the hydrophilic polymer,

(b) have a selected mean particle diameter in the size range between about 0.07-0.20 microns;

(c) contain in liposome-entrapped form, a therapeutic compound effective against the source of the infection; and

(d) are able to accumulate selectively in the infected tissue following intravenous administration, thereby to concentrate liposome-entrapped drug at the infection site.

14. (Original) The method of claim 13, wherein the agent is an aminoglycoside antibiotic drug.

15. (Original) The method of claim 14, wherein the aminoglycoside is gentamicin.

16. (Previously presented) The composition of claim 8, wherein the therapeutic compound is an agent selected from the group consisting of antibacterial agents, antiviral

agents and antifungal agents.

17. (Previously presented) The composition of claim 16, wherein the antibacterial agent is a quinolone antibiotic.

18. (Previously presented) The method of claim 13, wherein the therapeutic compound is an agent selected from the group consisting of antibacterial agents, antiviral agents and antifungal agents.

19. (Previously presented) The method of claim 18, wherein the antibacterial agent is a quinolone antibiotic.